IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

NOTICE OF MOTION NO. 4168 OF 2006
IN
SUIT NO. 3641 OF 2004

Nirmaljeet Kaur Nagi .. Plaintiff.

V/s.

Jasbir Singh Chass & Ors. .. Defendants.

Mr.Simil Purohit i/by M/s. J.R.Joshi & Co. for the Plaintiff.

Mr.B.R.Zaveri for the Defendant No.4.

CORAM : S. A. BOBDE, J.

DATED : 26th FEBRUARY, 2007.

P.C.:

. By this notice of motion, the plaintiff seeks direction to the defendants to deposit the proceeds of insurance policies of which the defendant is a nominee. This is a suit for administration of the estate of late Dharamsingh Chass. The plaintiff claims to be the daughter of the deceased and asserts 1/4th share in the undivided property of the deceased. She claims right, title and interest in the property of the deceased. Accordingly, she also claims an interest in the policies and in the amounts under certain insurance policies which were taken out by the deceased, in which the

defendant Nos. 3,4,6,7,8 and 9 are the nominees. There are different nominees in different policies. In any case there is no dispute that the policies were taken out by the deceased.

2. The question whether the nominee of an insurance policy acquires any beneficial interest in the amounts payable under such a policy on the death of the assured is no more res-integra. In **Smt.Sarbati Devi v/s. Smt.Usha Devi, AIR 1984 Supreme Court 346,** the Supreme Court held as follows :

> "We approve the views expressed by the other High Courts on the meaning of Section 39 of the Act and hold that a mere nomination made under Section 39 of the Act does not have the effect of conferring on the nominee any beneficial interest in the amount payable under the life insurance policy on the death of the assured. The nomination only indicates the hand which is authorised to receive the amount, on the payment of which the insurer gets a valid discharge of its liability under the policy. The amount, however, can be claimed by the heirs of the assured in accordance with the law of succession governing them."

3. The only contention raised by the learned counsel for the defendant No.4 is that the plaintiff’s claim is delayed since the defendant has disclosed the policies long ago. In any case in a matter like this, the delay cannot be said to be a fatal. Admittedly, the

money under the insurance policy belong to the estate of the deceased and the amounts needs to be protected.

4. Hence, the notice of motion is allowed in terms of prayer clauses (a) to (f). However, the interest shall be at the rate of 12% per annum instead of 18% per annum as prayed.

5. Notice of motion disposed of accordingly.

(S.A.BOBDE,J.)

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